STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CANNABIS REGULATORY AGENCY

In the Matter of

PM Growers, LLC License No.: GR-A-000018	ENF I	ENF No.: 21-00180
/	CONSENT ORDER AND STIPULATION	

CONSENT ORDER

On July 27, 2021, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana grower class A facility license (GR-A-000018) of PM Growers, LLC ("Respondent") under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.303(5).

The executive director reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the formal complaint.

Therefore, the executive director finds that the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.303(5).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of four thousand and 00/100 dollars (\$4,000.00). This fine shall be paid within 90 days of the effective date of this order by check, money order, or online through Accela Citizen Access (ACA). Instructions on how to make online payments can be found under the Tips for Licensees bulletin section at www.michigan.gov/cra. Check or money orders shall be made payable to the State of Michigan with enforcement number "21-00180" and license number "GR-A-000018" clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and

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Regulatory Affairs, Cannabis Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

- 2. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.
- Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to <u>CRA-LegalHearings@michigan.gov</u>.
- 4. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
- If Respondent violates any term or condition set forth in this order, Respondent will be subject to fines and/or other sanctions under section 407(1) of the MMFLA, MCL 333.27407(1), and Mich Admin Code, 420.808.
- Upon timely compliance of the terms of this order by Respondent, the matters set forth in the formal complaint shall be deemed resolved and closed subject to this Consent Order.

This order shall be effective 30 days after the date signed by the CRA's executive director or his designee, as set forth below.

Signed on: 2/28/2023

Brian Hanna Discrete Brian Hanna, Executive Director and/or his designee Cannabis Regulatory Agency

STIPULATION

The parties stipulate to the following:

- 1. The facts alleged in the formal complaint are true and constitute a violation of the administrative rules promulgated under the MMFLA.
- 2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MMFLA, administrative rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 et seq., to require the CRA to prove the charges set forth in the formal complaint by presentation of evidence and legal authority, and to present a defense to the charges.
- 3. The parties considered the following in reaching this agreement:
 - a. It was determined on August 2, 2022, that the license is now closed and no longer active.
 - b. The CRA did not obtain any evidence that the product at issue was illicit product.
 - c. Respondent provided a standard operating procedure addressing the rule violation at issue.
 - d. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
 - e. Respondent was licensed as a grower class A since 2020 and had no prior discipline against its license.
- 4. The CRA's enforcement division director or his/her designee must approve this proposed agreement before it is forwarded to the CRA's executive director or his designee for review and issuance of the above consent order. The parties reserve the right to proceed to an administrative hearing without prejudice to either party, should the CRA's enforcement division director, executive director, or their designees reject the proposed consent order.

By signing this stipulation, the parties confirm that they have read, understand, and agree with the terms of the consent order.

AGREED TO BY:

Desmond Mitchell Digitally signed by Desmond Mitchell Date: 2023.02.26 14:43:55 -05'00'

Desmond Mitchell, Operations Director and/or his designee Cannabis Regulatory Agency

Dated: 2/26/2023

AGREED TO BY:

Mark Smith, Authorized Officer on behalf of Respondent

PM Grower, LLC

Dated: 2-/-2

—Docusigned by: Eric Misterovich

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Eric Misterovich P73422 Attorney for Respondent

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Dated: 2/2/2023

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MARIJUANA REGULATORY AGENCY

In the Matter of

PM Growers, LLC CMP No.: 21-000187

ERG No.: 000399

License No.: GR-A-000018

ENF No.: 21-00180

FORMAL COMPLAINT

The Marijuana Regulatory Agency ("Complainant") files this formal complaint against PM

Growers, LLC ("Respondent") alleging upon information and belief as follows:

1. The Marijuana Regulatory Agency (MRA) is authorized under the Medical Marihuana

Facilities Licensing Act (MMFLA), MCL 333.27101 et seq., and Executive Reorganization Order

No.2019-2, MCL 333.27001, to investigate alleged violations of the MMFLA and the

administrative rules promulgated thereunder, take disciplinary action to prevent such violations,

and impose fines and other sanctions against applicants and licensees that violate the MMFLA or

administrative rules.

2. Section 402(12) of the MMFLA provides that the expiration of a license does not terminate

the MRA's authority to impose sanctions on the license.

3. Section 206(c) of the MMFLA provides that the administrative rules must ensure the health,

safety, and security of the public and integrity of the marihuana facility operations.

4. Respondent's conduct as described below is a risk to public health and safety and/or the

integrity of marihuana facility operations.

MARIJUANA REGULATORY AGENCY
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909
www.michigan.gov/MRA

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

5. Respondent holds an active state operating license under the MMFLA to operate a medical

marihuana class A grower facility in the state of Michigan.

6. Respondent operated at 707 Industrial Park Drive, Bangor, Michigan, 49013 at all times

relevant to this complaint.

7. Following an investigation, the MRA determined that Respondent violated the MMFLA

and/or administrative rules promulgated thereunder as set forth below:

a. On December 22, 2020, Respondent created statewide monitoring system

(METRC) package tag # 1A4050100002A95000001923 (tag #1923) by

repackaging METRC package tag # 1A4050100002A95000001841 (tag #1841).

b. Tag # 1841 was created on November 24, 2020, by combining the following 6

METRC tags:

I. 1A4050100002A95000000574,

II. 1A4050100002A95000000626,

III. 1A4050100002A95000001041,

IV. 1A4050100002A95000001058,

V. 1A4050100002A95000001146, and

VI. 1A4050100002A95000001442.

c. METRC tags 1A4050100002A95000000574 and 1A4050100002A95000001146

also contained multiple harvest batches.

d. All 6 of the METRC tags listed in subparagraph (b) either failed safety compliance

testing or had not been submitted for safety compliance testing.

e. Respondent's conduct in combining and packaging these METRC tags is in

violation of Mich Admin Code, R 420.303(5), which requires all test results in

METRC to be "passed" before marihuana is packaged.

MARIJUANA REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909 THEREFORE, based on the above, the MRA gives notice of its intent to impose fines and/or

other sanctions against Respondent's license, which may include the suspension, revocation,

restriction, and/or refusal to renew Respondent's license.

Under MCL 333.27407(4) and Mich Admin Code, R 420.704(2), any party aggrieved by an

action of the MRA suspending, revoking, restricting, or refusing to renew a license, or imposing a

fine, shall be given a hearing upon request. A request for a hearing must be submitted to the MRA

in writing within 21 days after service of this complaint. Notice served by certified mail is

considered complete on the business day following the date of the mailing.

Respondent also has the right to request a compliance conference under Mich Admin Code, R

420.704(1) A compliance conference is an informal meeting at which Respondent has the

opportunity to discuss the allegations in this complaint and demonstrate compliance under the

MMFLA and/or the administrative rules. A compliance conference request must be submitted to

the MRA in writing.

Hearing and compliance conference requests must be submitted in writing by one of the

following methods:

By Mail:

Department of Licensing & Regulatory Affairs

Marijuana Regulatory Agency

P.O. Box 30205

Lansing, Michigan 48909

In Person:

Department of Licensing & Regulatory Affairs

Marijuana Regulatory Agency

2407 North Grand River

Lansing, Michigan 48906

By Email:

MRA-LegalHearings@michigan.gov

If Respondent fails to timely respond to this formal complaint, a contested case hearing will

be scheduled to resolve this matter.

Questions about this complaint should be directed to the Marijuana Regulatory Agency at

(517) 284-8599 or MRA-LegalHearings@michigan.gov.

MARIJUANA REGULATORY AGENCY 2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909

ENF No.: 2 MRA 5039

Formal Complaint

Dated: 7/27/21

MARIJUANA REGULATORY AGENCY

By: Claire Digitally signed by Claire Patterson Date: 2021.07.27 09:02:56 -04'00'

Claire Patterson, Scientific and Legal Section Manager Enforcement Division